



K. Chad Burgess
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December 13, 2018

VIA ELECTRONIC FILING

The Honorable Jocelyn G. Boyd
Chief Clerk/Administrator
Public Service Commission of South Carolina
101 Executive Center Drive
Columbia, South Carolina 29210

**RE: Natural Gas Agreement between South Carolina Electric & Gas
Company and Orchids Paper Products Company**
Docket No. 2016-253-G

Dear Ms. Boyd:

Enclosed for filing only is **Amendment Two to Agreement for Transportation Service with Firm Gas Standby between South Carolina Electric & Gas Company and Orchids Paper Products Company.**

By copy of this letter, we are providing the South Carolina Office of Regulatory Staff with copies of the enclosed documents for its records.

If you have any questions, please advise.

Very truly yours,

K. Chad Burgess

KCB/kms
Enclosures

cc: **Jeffrey M. Nelson, Esquire**
Dawn Hipp
(both via electronic mail and U.S. First Class Mail w/enclosures)

This original
to be returned
to SCEAG Company

ORIGINAL

AMENDMENT TWO TO AGREEMENT FOR TRANSPORTATION SERVICE WITH
FIRM GAS STANDBY

This Amendment Two, made and entered into this UD^{11A} day of December, 2018, by and between SOUTH CAROLINA ELECTRIC & GAS COMPANY, its successors and assigns, hereinafter called "Seller", and ORCHIDS PAPER PRODUCTS COMPANY, its successors and assigns, hereinafter called "Buyer".

WITNESSETH

WHEREAS, Buyer purchases natural gas from Seller's system supply under the terms of an Agreement For Transportation Service With Firm Gas Standby dated June 1, 2017, and as amended on August 27, 2018, and

WHEREAS, Buyer and Seller have agreed to amend the Agreement For Transportation Service With Firm Gas Standby between Buyer and Seller to incorporate language to make annual adjustments to Buyer's Commodity Charge.

NOW THEREFORE, in consideration of these covenants and agreements set forth to be kept and performed by the parties hereto, it is mutually agreed as follows:

- A. This Amendment Two shall become effective on November 1, 2018.
- B. Paragraph 15, COMMODITY CHARGE ANNUAL ADJUSTMENT is added as follows:

15. COMMODITY CHARGE ANNUAL ADJUSTMENT

Buyer acknowledges that the commodity charge in Seller's Rate Schedule 35 is subject to an adjustment on an annual basis through Seller's Natural Gas Rate Stabilization Act proceeding before the Public Service Commission of South Carolina ("Commission") and on a monthly basis through administration of the Seller's Commission-approved Purchased Gas Adjustment mechanism. On and after November 1, 2018, Buyer's commodity charge shall be adjusted by the same variance as any adjustment to the Rate 35 commodity charge through either Seller's annual Natural Gas Rate Stabilization Act proceeding or Seller's monthly administration of its Purchased Gas Adjustment mechanism.

- C. The term of this Amendment Two shall be the same as the term of the Agreement For Transportation Service With Firm Gas Standby currently in effect.
- D. No other provisions of the Agreement For Transportation Service With Firm Gas Standby between Seller and Buyer are altered by this Amendment Two.

IN WITNESS WHEREOF, this Amendment Two to Agreement For Transportation Service With Firm Gas Standby has been executed on the date first above written by the parties hereto, by their officers or other representatives.

ORCHIDS PAPER PRODUCTS COMPANY

Buyer

Buyer

By

President & CEO

Title

12/5/2018

Date

SOUTH CAROLINA ELECTRIC & GAS
COMPANY

Seller

By

Title

Date